

ANNUAL REPORT

OF

FALLS WATER Co, INC

NAME

405 11th ST. IDAHO FALLS, ID 83404-4899

ADDRESS

TO THE

IDAHO PUBLIC UTILITIES COMMISSION

FOR THE YEAR ENDED DECEMBER 31, 99

**ANNUAL REPORT FOR WATER UTILITIES TO
THE IDAHO PUBLIC UTILITIES COMMISSION
FOR THE YEAR ENDING December 31, 1999**

COMPANY INFORMATION

1 Give full name of utility FALLS WATER CO, INC
 2 Date of Organization January 9, 1959
 3 Organized under the laws of the state of IDAHO
 4 Address of Principal Office (number & street) 405 11th Street
 5 P.O. Box (if applicable) _____
 6 City IDAHO FALLS
 7 State ID
 8 Zip Code 83404-4899
 9 Organization (proprietor, partnership, corp.) NOT FOR PROFIT CORPORATION
 10 Towns, Counties served BONNEVILLE COUNTY EAST OR IDAHO FALLS
AND NORTH OF AMMON

11 Are there any affiliated companies? NO
If yes, attach a list with names, addresses & descriptions. Explain any services provided to the utility.

12 Contact Information	Name	Phone No.
President (Owner)	KELLY D. HOWELL	523-1300
Vice President		
Secretary	DEAN L. HOWELL	523-1300
General Manager	KELLY D. HOWELL SCOTT BRUCE	523-1300
Complaints or Billing	KELLY D. HOWELL SCOTT BRUCE	523-1300
Engineering	DAVID BENTON	522-8033
Emergency Service	TONY WISE	523-1300
Accounting		

13 Were any water systems acquired during the year or any additions/deletions made to the service area during the year? NO
If yes, attach a list with names, addresses & descriptions. Explain any services provided to the utility.

14 Where are the Company's books and records kept?
 Street Address 405 11TH ST.
 City IDAHO FALLS
 State ID
 Zip 83404-4899

NAME: FALLS WATER COMPANY, INC

COMPANY INFORMATION (Cont.)

For the Year Ended 12/31/1999

15 Is the system operated or maintained under a service contract?

YES

16 If yes: With whom is the contract?

HOWELL & HOWELL, INC

When does the contract expire?

What services and rates are included? ALL LABOR, BOTH OFFICE AND FIELD

17 Is water purchased for resale through the system?

NO

18 If yes: Name of Organization

Name of owner or operator

Mailing Address

City

State

Zip

Gallons/CCF

\$Amount

Water Purchased

19 Has any system(s) been disapproved by the Idaho Division of Environmental Quality?

NO

If yes, attach full explanation

20 Has the Idaho Division of Environmental Quality recommended any improvements?

NO

If yes, attach full explanation

21 Number of Complaints received during year concerning:

Quality of Service

NONE

High Bills

NONE

Disconnection

NONE

22 Number of Customers involuntarily disconnected

NONE

23 Date customers last received a copy of the Summary of Rules required by IDAPA 31.21.01.701?

Oct 99

~~Nov-98~~

Attach a copy of the Summary

24 Did significant additions or retirements from the Plant Accounts occur during the year?

If yes, attach full explanation

and an updated system map

NAME: FALLS WATER CO, INC

REVENUE & EXPENSE DETAIL

For the Year Ended 12/31/99

ACCT #	DESCRIPTION		
<u>400 REVENUES</u>			
1	460	Unmetered Water Revenue	68,163.48
2	461.1	Metered Sales - Residential	177,580.75
3	461.2	Metered Sales - Commercial, Industrial	3,021.00
4	462	Fire Protection Revenue	
5	464	Other Water Sales Revenue	7,140.00
6	465	Irrigation Sales Revenue	
7	466	Sales for Resale	
8	400	Total Revenue (Add Lines 1 - 7) (also enter result on Page 4, line 1)	255,905.23
9	* DEQ Fees Billed separately to customers		Booked to Acct # _____
10	** Hookup or Connection Fees Collected	33,350.00	Booked to Acct # <u>(421) 469</u>
11	***Commission Approved Surcharges Collected		Booked to Acct # _____
<u>401 OPERATING EXPENSES</u>			
12	601.1-6	Labor - Operation & Maintenance	32,081.79
13	601.7	Labor - Customer Accounts	
14	601.8	Labor - Administrative & General	63,600.00
15	603	Salaries, Officers & Directors	
16	604	Employee Pensions & Benefits	
17	610	Purchased Water	
18	615-16	Purchased Power & Fuel for Power	52,651.90
19	618	Chemicals	
20	620.1-6	Materials & Supplies - Operation & Maint.	19,311.77
21	620.7-8	Materials & Supplies - Administrative & General	23,769.28
22	631-34	Contract Services - Professional	7,680.00
23	635	Contract Services - Water Testing	7,490.00
24	636	Contract Services - Other	39,241.22
25	641-42	Rentals - Property & Equipment	
26	650	Transportation Expense	1,887.09
27	656-59	Insurance	
28	660	Advertising	320.00
29	666	Rate Case Expense (Amortization)	
30	667	Regulatory Comm. Exp. (Other except taxes)	
31	670	Bad Debt Expense	1,473.85
32	675	Miscellaneous	9,108.08
33	Total Operating Expenses (Add lines 12 - 32, also enter on Pg 4, line 2)		258,614.98

Name: FALLS WATER CO, INC

INCOME STATEMENT

For Year Ended 12/31/99

ACCT #	DESCRIPTION		
1	Revenue (From Page 3, line 8)		<u>255,905.23</u>
2	Operating Expenses (From Page 3, line 33)	258,614.98	
3 403	Depreciation Expense	<u>15,404.18</u>	
4 406	Amortization, Utility Plant Aquisition Adj.		
5 407	Amortization Exp. - Other		
6 408.10	Regulatory Fees (PUC)	<u>661.06</u>	
7 408.11	Property Taxes	<u>2,954.10</u>	
8 408.12	Payroll Taxes		
9A 408.13	Other Taxes (list) DEQ Fees		
9B	<u>OTHER</u>	<u>32.00</u>	
9C			
9D			
10 409.10	Federal Income Taxes		
11 409.11	State Income Taxes	<u>30.00</u>	
12 410.10	Provision for Deferred Income Tax - Federal		
13 410.11	Provision for Deferred Income Tax - State		
14 411	Provision for Deferred Utility Income Tax Credits		
15 412	Investment Tax Credits - Utility		
16	Total Expenses from operations before interest (add lines 2-15)	<u>277,696.32</u>	
17 413	Income From Utility Plant Leased to Others		
18 414	Gains (Losses) From Disposition of Utility Plant		
19	Net Operating Income (Add lines 1, 17 & 18 less line 16)		<u>(21,791.09)</u>
20 415	Revenues, Merchandizing Jobbing and Contract Work		
21 416	Expenses, Merchandizing, Jobbing & Contracts		
22 419	Interest & Dividend Income		
23 420	Allowance for Funds used During Construction		
24 421	Miscellaneous Non-Utility Income HOOKUP FEES	<u>33,350.00</u>	
25 426	Miscellaneous Non-Utility Expense	<u>279.84</u>	
26 408.20	Other Taxes, Non-Utility Operations		
27 409-20	Income Taxes, Non-Utility Operations		
28	Net Non-Utility Income (Add lines 20,22,23 & 24 less lines 21,25,26, & 27)		<u>33,070.16</u>
29	Gross Income (add lines 19 & 28)		<u>11,279.07</u>
30 427.3	Interest Exp. on Long-Term Debt		
31 427.5	Other Interest Charges		
32	NET INCOME (Line 29 less lines 30 & 31) (Also Enter on Pg 9, Line 2)		<u><u>11,279.07</u></u>

Name: FALLS WATER CO, INC

ACCOUNT 101 PLANT IN SERVICE DETAIL
 For Year Ended 12/31/99

SUB ACCT #	DESCRIPTION	Balance Beginning of Year	Added During Year	Removed During Year	Balance End of Year
1 301	Organization				
2 302	Franchises and Consents				
3 303	Land & Land Rights	3,328.58			3,328.58
4 304	Structures and Improvements				
5 305	Collecting & Impounding Reservoirs				
6 306	Lake, River & Other Intakes				
7 307	Wells	52,805.40			52,805.40
8 308	Infiltration Galleries & Tunnels				
9 309	Supply Mains				
10 310	Power Generation Equipment	16,693.04			16,693.04
11 311	Power Pumping Equipment	121,948.05			121,948.05
12 320	Purification Systems	15,865.23			15,865.23
13 330	Distribution Reservoirs & Standpipes	494.35			494.35
14 331	Trans. & Distrib. Mains & Accessories	91,770.14			91,770.14
15 333	Services				
16 334	Meters and Meter Installations	74,061.78	13,926.05		87,987.83
17 335	Hydrants				
18 336	Backflow Prevention Devices				
19 339	Other Plant & Misc. Equipment				
20 340	Office Furniture and Equipment	5,344.34			5,344.37
21 341	Transportation Equipment	13,261.28			13,261.28
22 342	Stores Equipment				
23 343	Tools, Shop and Garage Equipment	9,582.50			9,582.50
24 344	Laboratory Equipment				
25 345	Power Operated Equipment				
26 346	Communications Equipment				
27 347	Miscellaneous Equipment				
28 348	Other Tangible Property				
29	TOTAL PLANT IN SERVICE (Add lines 1 - 28)	405,154.69	13,926.05	-	419,080.77

Enter beginning & end of year totals on Pg 7, Line 1

Name: FALLS WATER CO, INC

ACCUMULATED DEPRECIATION ACCOUNT 108.1 DETAIL

For Year Ended 12/31/99

SUB ACCT #	DESCRIPTION	Depreciation Rate %	Balance Beginning of Year	Balance End of Year	Increase or (Decrease)
1 304	Structures and Improvements				
2 305	Collecting & Impounding Reservoirs		494.00	494.00	-
3 306	Lake, River & Other Intakes				-
4 307	Wells		18,039.00	19,442.00	1,403.00
5 308	Infiltration Galleries & Tunnels		53,155.00	54,835.00	1,680.00
6 309	Supply Mains				-
7 310	Power Generation Equipment		940.00	1,774.00	834.00
8 311	Power Pumping Equipment		80,492.00	85,906.00	5,414.00
9 320	Purification Systems		15,865.00	15,865.00	-
10 330	Distribution Reservoirs & Standpipes				-
11 331	Trans. & Distrib. Mains & Accessories				-
12 333	Services				-
13 334	Meters and Meter Installations		45,727.00	50,654.00	4,927.00
14 335	Hydrants				-
15 336	Backflow Prevention Devices				-
16 339	Other Plant & Misc. Equipment				-
17 340	Office Furniture and Equipment		5,286.00	5,286.00	-
18 341	Transportation Equipment		12,960.00	12,960.00	-
19 342	Stores Equipment				-
20 343	Tools, Shop and Garage Equipment		8,113.00	9,257.00	1,144.00
21 344	Laboratory Equipment				-
22 345	Power Operated Equipment				-
23 346	Communications Equipment				-
24 347	Miscellaneous Equipment				-
25 348	Other Tangible Property				-
26	TOTALS (Add Lines 1 - 25)		241,071.00	256,473.00	15,402.00

Enter beginning & end of year totals on Pg 7, Line 7

Name: FALLS WATER CO, INC.

BALANCE SHEET

For Year Ended 12/31/99

		<u>ASSETS</u>		
ACCT #	DESCRIPTION	Balance Beginning of Year	Balance End of Year	Increase or (Decrease)
1	101 Utility Plant in Service (From Pg 5, Line 29)	405,155.00	419,081.00	13,926.00
2	102 Utility Plant Leased to Others			-
3	103 Plant Held for Future Use			-
4	105 Construction Work in Progress			-
5	114 Utility Plant Aquisition Adjustment			-
6	Subtotal (Add Lines 1 - 5)	405,155.00	419,081.00	13,926.00
7	108.1 Accumulated Depreciation (From Pg 6, Line 26)	241,071.00	256,473.00	15,402.00
8	108.2 Accum. Depr. - Utility Plant Lease to Others			-
9	108.3 Accum. Depr. - Property Held for Future Use			-
10	110.1 Accum. Amort. - Utility Plant in Service			-
11	110.2 Accum. Amort. - Utility Plant Lease to Others			-
12	115 Accumulated Amortization - Aquisition Adj.			-
13	Net Utility Plant (Line 6 less lines 7 - 12)	164,084.00	162,608.00	(1,476.00)
14	123 Investment in Subsidiaries			-
15	125 Other Investments			-
16	Total Investments (Add lines 14 & 15)			-
17	131 Cash	38,323.00	52,104.00	13,781.00
18	135 Short Term Investments			-
19	141 Accts/Notes Receivable - Customers	25,564.00	23,951.00	(1,613.00)
20	142 Other Receivables			-
21	145 Receivables from Associated Companies			-
22	151 Materials & Supplies Inventory			-
23	162 Prepaid Expenses			-
24	173 Unbilled (Accrued) Utility Revenue			-
25	143 Provision for Uncollectable Accounts	1,265.00	1,474.00	209.00
26	Total Current (Add lines 17 -24 less line 25)	62,622.00	74,581.00	11,959.00
27	181 Unamortized Debt Discount & Expense			-
28	183 Preliminary Survey & Investigation Charges			-
29	184 Deferred Rate Case Expenses			-
30	186 Other Deferred Charges			-
31	Total Assets (Add lines 13, 16 & 26 - 30)	226,706.00	237,189.00	10,483.00

Name: FALLS WATER CO, INC.

BALANCE SHEET

For Year Ended 12/31/99

LIABILITIES & CAPITAL

ACCT #	DESCRIPTION	Balance Beginning of Year	Balance End of Year	Increase or (Decrease)
1	201-3 Common Stock	25000	25000	0
2	204-6 Preferred Stock			0
3	207-13 Miscellaneous Capital Accounts			0
4	214 Appropriated Retained Earnings			0
5	215 Unappropriated Retained Earnings	58500	69779	11279
6	216 Reacquired Capital Stock			0
7	218 Proprietary Capital			0
8	Total Equity Capital (Add Lines 1-5+7 less line 6)	83500	94779	11279
9	221-2 Bonds			0
10	223 Advances from Associated Companies			0
11	224 Other Long - Term Debt			0
12	231 Accounts Payable	142085	142408	323
13	232 Notes Payable			0
14	233 Accounts Payable - Associated Companies			0
15	235 Customer Deposits (Refundable)			0
16	236.11 Accrued Other Taxes Payable	1121		-1121
17	236.12 Accrued Income Taxes Payable			0
18	236.2 Accrued Taxes - Non-Utility			0
19	237-40 Accrued Debt, Interest & Dividends Payable			0
20	241 Misc. Current & Accrued Liabilities			0
21	251 Unamortized Debt Premium			0
22	252 Advances for Construction			0
23	253 Other Deferred Liabilities			0
24	255.1 Accumulated Investment Tax Credits - Utility			0
25	255.2 Accum. Investment Tax Credits - Non-Utility			0
26	261-5 Operating Reserves			0
27	271 Contributions in Aid of Construction			0
28	272 Accum. Amort. of Contrib. in Aid of Const. **			0
29	281-3 Accumulated Deferred Income Taxes			0
30	Total Liabilities (Add lines 9 - 29)	143206	142408	-798
31	TOTAL LIAB & CAPITAL (Add lines 8 & 30)	226706	237187	10481

** Only if Commission Approved

Name: FALLS WATER CO, INC

STATEMENT OF RETAINED EARNINGS

For Year Ended 12/31/99

1	Retained Earnings Balance @ Beginning of Year	<u>58,500.00</u>
2	Amount Added from Current Year Income (From Pg 4, Line 32)	<u>11,279.07</u>
3	Other Credits to Account	<u> </u>
4	Dividends Paid or Appropriated	<u> </u>
5	Other Distributions of Retained Earnings	<u> </u>
6	Retained Earnings Balance @ End of Year	<u>69,779.07</u>

CAPITAL STOCK DETAIL

7	Description (Class, Par Value etc.)	No. Shares	No. Shares	Dividends
		Authorized	Outstanding	Paid
	COMMON	1000	25	

DETAIL OF LONG-TERM DEBT

8	Description	Interest Rate	Year-end Balance	Interest Paid	Interest Accrued

Name: _____

SYSTEM ENGINEERING DATA

For Year Ended 12/31/99

1 Provide an updated system map if significant changes have been made to the system during the year.

2 Water Supply:

Pump Designation or location	Rated Capacity (gpm)	Type of Treatment: (None, Chlorine Fluoride Filter etc.)	Annual Production (000's Gal.)	Water Supply Source (Well, Spring, Surface Wtr)
WELL #1	750	SAND SEP	159317	WELL
WELL #2	400		148072	WELL
WELL #3	200	SAND SEP	25675	WELL
WELL #4	1500	SAND SEP	134583	WELL
WELL #5	750	SAND SEP	115880	WELL
WELL #6	1200		211464	WELL
SARGENT WELL	30		NO METER	WELL

3 System Storage:

Storage Designation or Location	Total Capacity 000's Gal.	Usable Capacity 000's Gal.	Type of Reservoir (Elevated, Pressurized, Boosted)	Construction (Wood, Steel Concrete)
WELL 2/4	5	1.8	PRESSURIZED	STEEL

(Duplicate form and attach if necessary. Asterisk facilities added this year.)

Name: FALLS WATER CO, INC

SYSTEM ENGINEERING DATA
(continued)

For Year Ended 12/31/99

4 Pump information for ALL system pumps, including wells and boosters.

Designation or Location & Type of Pump**	Horse Power	Rated Capacity (gpm)	Discharge Pressure (psi)	Energy Used This Year
WELL #2 TURBINE PUMP #2	40	400	65	390040 KWH
WELL #4 TURBINE PUMP #4	150	1500	65	390040 KWH
WELL #6 SUBMERSIBLE PUMP #6A	75	600	65	390040 KWH
WELL #6 SUBMERSIBLE PUMP #6B	75	600	65	390040 KWH
WELL #1 TURBINE PUMP #1	75	750	65	192093 KWH
WELL #3 SUBMERSIBLE PUMP #3	30	200	65	84607 KWH
WELL #5 TURBINE PUMP #5	75	750	65	200894 KWH
SARGENT WELL SUBMERSIBLE PUMP	10	30	60	11361 KWH

one power meter

**** Submit pump curves unless previously provided or unavailable. Asterisk facilities added this year. Attach additional sheets if inadequate space is available on this page.**

- 5 If Wells are metered:
- What was the total amount pumped this year? 865,519,688 GA
 - What was the total amount pumped during peak month? NOT AVAILABL
 - What was the total amount pumped on the peak day? NOT AVAILABL
- 6 If customers are metered, what was the total amount sold in peak month? _____
- 7 Was your system designed to supply fire flows? YES
If Yes: What is current system rating? _____
- 8 How many times were meters read this year? 6
During which months? MAY, JUNE, JULY, AUGUST, SEPTEMBER, OCTOBER
- 9 How many additional customers could be served with no system improvements except a service line and meter? 100
How many of those potential additions are vacant lots? 80
- 10 Are backbone plant additions anticipated during the coming year? NO
If Yes, attach an explanation of projects and anticipated costs!
- 11 In what year do you anticipate that the system capacity (supply, storage or distribution) will have to be expanded? 2000

Name: FALLS WATER CO, INC

SYSTEM ENGINEERING DATA

(continued)

For Year Ended 12/31/99

FEET OF MAINS

1	Pipe Size	In Use Beginning Of Year	Installed During Year	Abandoned During Year	In Use End of Year
	1"	820			820
	1.25"	150			150
	2"	300	1280		1580
	3"	1190			1190
	4"	4344			4344
	6"	38457	8499.73		46956.73
	8"	8583	2891.57		11474.57
	10"	14026			14026

CUSTOMER STATISTICS

	Number of Customers		Thousands of Gallons Sold	
	This Year	Last Year	This Year	Last Year
2 Metered:				
2A Residential	1167	1044		
2B Commercial	13	8		
2C Industrial				
3 Flat Rate:				
3A Residential	696	553		
3B Commercial				
3C Industrial				
4 Private Fire Protection				
5 Public Fire Protection	139	97		
6 Street Sprinkling				
7 Municipal, Other				
8 Other Water Utilities				
TOTALS (Add lines 2 through 8)	2015	1702		

CERTIFICATE

State of Idaho)
) ss
County of _____)

WE, the undersigned _____
and _____
of the _____
utility, on our oath do severally say that the foregoing report has been prepared under our direction,
from the original books, papers and records of said utility; that we have carefully examined same, and
declare the same to be a correct statement of the business and affairs of said utility for the period
covered by the report in respect to each and every matter and thing therein set forth, to the best of our
knowledge, information and belief.

(Chief Officer)

(Officer in Charge of Accounts)

Subscribed and Sworn to Before Me

this _____ day of _____, _____

NOTARY PUBLIC

My Commission Expires _____

gdk/excel/jnelson/anulrpts/wtrannualrpt